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December 7, 2011

Via Email

Thanne Cox, Esq.
Office of Regional Counsel
U.S. Environmental Protection Agency, Region IX
75 Hawthorne Street
San Francisco, CA 94105

Re: Yosemite Slough Superfund Site, San Francisco, California

Dear Thanne:

On behalf of the Yosemite Slough PRP Group (the "Group"), I would like to thank the United States Environmental Protection Agency ("EPA") for organizing and hosting the Yosemite Slough Legal Meeting held on December 2, 2011. I thought that the meeting was very productive and we appreciate EPA's approach to addressing issues at the Yosemite Slough Superfund Site (the "Site") with enhanced stakeholder input.

As you know, the Group had reservations about EPA's proposal to hold the Technical Stakeholder Committee ("TSC") meetings without legal representatives since technical issues are intertwined with legal issues to an unusually high degree at this Site. However, reports from the November 30 TSC meeting indicate that Craig Cooper was careful to defer all discussion of legal issues to the parallel legal meeting. In addition, EPA organized the parallel legal meeting within two days of the TSC meeting, and during our meeting last Friday committed to maintaining the practice of parallel legal meetings following shortly after future TSC meetings. We will continue to monitor and reserve our rights, but thus far it appears that EPA's approach will be workable, provided that EPA maintains this commitment to keep the technical and legal discussions separate and to move forward in tandem with parallel legal meetings like last week.

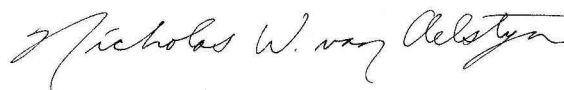
I write to confirm our understanding of certain issues that were discussed at the December 2 Legal Meeting. Please confirm or clarify our understandings set forth below, and please let us know when we can expect to receive the additional information that EPA committed last week to provide.

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- **Waste Classification Study.** Craig agreed that it would be helpful to perform the waste classification and geotechnical studies before the TSC's third meeting during which remedy options are scheduled to be screened. Craig also stated that he would look into having EPA perform the waste classification study. Please let me know as soon as possible whether EPA will be performing this study. If so, we respectfully request an opportunity to provide input on the sampling and analysis plan for it.
- **Site Boundary Issues.** Craig stated that EPA's consultant E&E is evaluating the Navy's GIS data from South Basin. He also agreed to share that GIS data; please let us know when we can expect to receive it (and if there is anything that we can do to facilitate its transmittal). You also indicated that if EPA expands the boundary of the Site to include southern portions of South Basin, then EPA will consider naming the Navy as a PRP at the Site due to the mix of PCB contamination in that portion of South Basin which suggests that the contamination likely has multiple sources. Please let us know when EPA expects to make a decision with respect to this issue. On a related matter, please also confirm that EPA is evaluating the limited hydrodynamic data regarding Yosemite Slough and South Basin.
- **Source Investigation.** You indicated that EPA is currently undertaking a more thorough source investigation, starting with the properties closest to the slough and emanating outwards. I respectfully request that you keep me updated on this investigation. Please also let me know if you have any questions related to the information that the Group previously provided to EPA regarding historic businesses in the Yosemite Slough watershed. You also indicated that as part of this investigation EPA will be further evaluating the sewer system, and you asked John Roddy of the City what additional sampling was being done. Here too we respectfully request to be kept apprised of the status of this investigation.

Thank you again for organizing the meeting last week. I look forward to discussing the issues set forth above, as well as other issues affecting the Yosemite Slough Superfund Site.

Sincerely,



Nicholas W. van Aelstyn

cc: Elaine M. O'Neil, Esq., City & County of San Francisco (*via email*)
John S. Roddy, Esq. City & County of San Francisco (*via email*)
Kathryn J. Tobias, Esq., California Department of Parks & Recreation (*via email*)
Jim Thomas, Esq., Defense Logistics Agency for Disposition Services (*via email*)
Mark A. Rigau, Esq., US DOJ for Disposition Services (*via email*)